GOVERNMENT OF INDIA
TOURISM AND CULTURE
LOK SABHA

UNSTARRED QUESTION NO:1069
ANSWERED ON:25.11.2002
DECLINE IN OCCUPANCY IN HOTELS
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Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) whether hotel occupancy in Delhi, Chennai and Kolkata witness a decline as compared toother major cities during the last two years;

(b) if so, the details thereof an the reasons therefor;

(c) the extent of loss of revenue to the Government exchequer in those cities; and

(d) the steps the Government propose to take to improve the situation?

Answer

MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN)

(a): There has been a general decline of around 2% in the occupancy of hotels in the country during 2001-02, including hotels in Delhi and Kolkata. Except Chennai, which registered an increase in the average occupancy during 2000-2001 as compared to the previous year.

(b): Details of average occupancy are as follows:

	1999-2000	2000-2001	2001-2002
Kolkata	52.9%	66.7%	61.7%
Chennai	58.7%	75.1%	65.0%
Delhi	60.1%	59.3%	55.9%

(Source: FHRAI)

The 11th September 2001 incident, the global economic slowdown, the attack on Indian Parliament in December 2001, the South Asian security scenario and the Indo-Pak standoff led to the decline in hotel occupancy.

(c): The estimated Foreign Exchange Earnings in 2000 registered an increase of 5.3%,whereas there was decline of 4% during 2001.

(d): Various fiscal and financial incentives such as tax exemptions, concessional customs duty on imports etc. are available to approved projects and classified hotels. Besides this, a Special Tourism Promotion Task Force has been set up to boost the growth of tourism in the country. Integrated Development of identified Tourist Circuits, providing Market DevelopmentAssistance to the tourism industry, creating an India Tourism brand and its positioning, etc. are some of the measures taken to improve the situation.